

**FEDERAL ELECTION
COMMISSION**

2010 AUG -3 PM 12: 14

**OFFICE OF GENERAL
COUNSEL**

Joshua Venable

Lansing, MI 48933

July 26, 2010

**Thomasenia Duncan, Esquire
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463**

MUR # 6340

Re: Gary McDowell and McDowell for Congress Committee

Dear Ms. Duncan:

Pursuant to 2 USC § 437g(a)(1) and 11 CFR § 111.4, please accept this letter as a Complaint against Gary McDowell ("McDowell") and McDowell for Congress Committee ("the Committee") for operating in violation of the Federal Election Campaign Act of 1971, as amended (the "Act"), and Federal Election Commission ("FEC" or "Commission") regulations and, more specifically, for violation of the prohibited transfer provision set forth in 11 CFR 110.3(d).

I. Facts

McDowell for Congress Committee is the principal campaign committee for Gary McDowell, a candidate for the United States House of Representatives, campaigning to represent Michigan's 1st Congressional District. The Committee filed FEC Form 1 Statement of Organization with the FEC on May 19, 2010 (attached hereto as Exhibit 1). McDowell filed FEC Form 2 Statement of Candidacy on the same date (attached hereto as Exhibit 2).

According to the Michigan Secretary of State's website, Supporters of Gary McDowell (the "State Committee") is a state candidate committee registered with the Michigan Department of State, Bureau of Elections and organized in support of McDowell's bid for State Representative in Michigan's 107th State House District (see State Committee Statement of Organization attached hereto as Exhibit 3).

On June 7, 2010, the Committee received a contribution in the amount of \$1,000 from Supporters of Gary McDowell. This contribution was reported on Schedule A, Line 11C, of the Committee's FEC Form 3 Report of Receipts and Disbursements filed on Jul. 17, 2010 (attached hereto as Exhibit 4). No transfers from authorized committees appeared in Line 12 of the Detailed Summary Page of the same report.

11044284635

II. Relevant Law

The Act and FEC regulations define contribution to include "any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office." 2 USC 431(8)(A)(i), 11 CFR 102.52(a).

FEC regulations require the reporting of contributions from "all committees (including political committees and committees which do not qualify as political committees under the Act) which make contributions to the reporting committee during the reporting period." 11 CFR 104.3(a)(4)(ii). Contributions from these "other political committees" are reported on Line 11C of the FEC Form 3. See Federal Election Commission Campaign Guide for Congressional Candidates and Committees at 89-90.

Commission regulations state that a candidate's authorized committee for one office receiving a transfer from that same candidate's authorized committee for another office must report the total transfer. 11 CFR 104.3(a)(4)(iii)(A). Transfers are reported on Line 12 of the FEC Form 3 and must be itemized on Schedule A, regardless of amount. 11 CFR 104.3(a)(4)(iii)(A); see also Federal Election Commission Campaign Guide for Congressional Candidates and Committees at 89-90.

However, the regulations state that "transfers of funds or assets from a candidate's campaign committee or account for a nonfederal election to his or her principal campaign committee or other authorized committee for a federal election are prohibited." 11 CFR 110.3(d).

III. Legal Analysis

On Jul. 17, 2010, the Committee violated FEC regulations when it accepted \$1,000 from the State Committee. The State Committee is a campaign committee for a nonfederal election. The Committee is McDowell's principal campaign committee for a federal election. Commission regulations plainly prohibit transfers between a candidate's committee for a nonfederal election to a candidate's principal campaign committee.

Moreover, the Committee attempted to disguise the illegal transfer as a contribution. The Committee reported the receipt of \$1,000 from the State Committee on Line 11C of its FEC Form 3 instead of reporting the receipt as a transfer on Line 12.

Regardless of which line the Committee used to report the receipt, acceptance of any amount of money from the State Committee by the Committee is a transfer from McDowell's nonfederal campaign committee to his principal campaign committee. This constitutes an illegal transfer under FEC regulations.

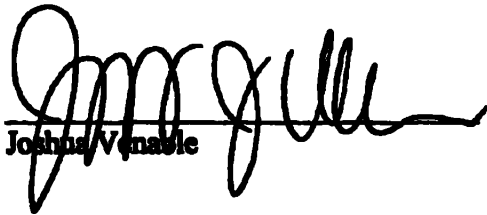
11044284636

IV. Conclusion

Upon information and belief, and based upon the facts relayed herein, Gary McDowell and McDowell for Campaigns Committee have violated the Federal Election Campaign Act of 1971, as amended, and Federal Election Commission Regulations. Accordingly, we respectfully request that the Commission conduct an immediate investigation into the violations outlined above and impose the maximum penalty under law.

The foregoing is correct and accurate to the best of my knowledge, information and belief.

Respectfully submitted,


Joshua Venable

Sworn to and subscribed before me this 26 day of July, 2010.


Notary Public

State of Michigan, County of Ingham

My Commission Expires: 10-5-13

11044284637

Exhibit 1

RECEIVED
FEDERAL ELECTION COMMISSION
JULY 24 11:10:50

FEC
FORM 1

STATEMENT OF
ORGANIZATION

Office Use Only

1. NAME OF
COMMITTEE (in full)

☐ (Check if name
is changed)

Example: typing type
over the line.

1272485

MC DOWELL FOR CONGRESS COMMITTEE

ADDRESS (number and street)

10020 GLEN STREET



(Check if address
is changed)

ROSELAND

NY

14720

CITY

STATE

ZIP CODE

COMMITTEE'S E-MAIL ADDRESS (Please provide only one e-mail address)



(Check if address
is changed)

jcshutt@earthlink.net

COMMITTEE'S WEB PAGE ADDRESS (URL)



(Check if address
is changed)

mcidowell.com

2. DATE

05 JUL 2010

3. FEC IDENTIFICATION NUMBER

C

4. IS THIS STATEMENT



NEW (N)

OR



AMENDED (A)

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer

Cynthia S. Shutt

Signature of Treasurer

Cynthia S. Shutt

Date

05 JUL 2010

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. § 437g.

ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

Office
Use
Only

For further information contact:
Federal Election Commission
Toll Free 800-424-9550
Local 202-694-1100

FEC FORM 1
(Revised 05/2008)

11044284639
10030334615

E. TYPE OF COMMITTEE

Candidate Committee:

- (a) ☒ This committee is a principal campaign committee. (Complete the candidate information below.)
- (b) ☐ This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

Name of Candidate

GARY J. MC DONELL

Candidate Party Affiliation

DEM

Office Sought:

☒ House☐ Senate☐ President

State

MA

District

01

- (c) ☐ This committee supports/opposes only one candidate, and is NOT an authorized committee.

Name of Candidate

Party Committee:

- (a) ☐ This committee is a ☐ (National, State or subsidiary committee of the ☐ (Democratic, Republican, etc.) Party.

Political Action Committee (PAC):

- (a) ☐ This committee is a separate segregated fund. (Identify connected organization on line 6.) Its connected organization is a:

☐

Corporation

☐

Corporation with Capital Stock

☐

Labor Organization

☐

Membership Organization

☐

Trade Association

☐

Cooperative

☐

In addition, this committee is a Lobbyist/Registered PAC.

- (b) ☐ This committee supports/opposes more than one Federal candidate, and is NOT a separate segregated fund or party committee. (i.e., nonconnected committee)

☐

In addition, this committee is a Lobbyist/Registered PAC.

☐

In addition, this committee is a Leadership PAC. (Identify sponsor on line 6.)

Joint Fundraising Representative:

- (a) ☐ This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, at least one of which is an authorized committee of a federal candidate.
- (b) ☐ This committee collects contributions, pays fundraising expenses and disburses net proceeds for two or more political committees/organizations, none of which is an authorized committee of a federal candidate.

Committees Participating in Joint Fundraiser

1.

FEC ID number

C

2.

FEC ID number

C

3.

FEC ID number

C

4.

FEC ID number

C

11044284640
1003034616

Write or Type Committee Name

Mc Dowell For Congress Committee

6. Name of Any Connected Organization, Affiliated Committee, Joint Fundraising Representative, or Leadership PAC Sponsor

Mailing Address

CITY

STATE

ZIP CODE

Relationship: ☐ Connected Organization ☐ Affiliated Committee ☐ Joint Fundraising Representative ☐ Leadership PAC Sponsor

7. Custodian of Records: Identify by name, address (phone number -- optional) and position of the person in possession of committee books and records.

Full Name CYNTHIA S. SHUTT

Mailing Address PO BOX 53

PICKFORD MA 01977

Title or Position

CITY

STATE

ZIP CODE

TREASURER Telephone number 904-647-7276

8. Treasurer: List the name and address (phone number -- optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name of Treasurer CYNTHIA S. SHUTT

Mailing Address PO BOX 53

PICKFORD MA 01977

CITY

STATE

ZIP CODE

Title or Position

TREASURER Telephone number 904-647-7276

11044284641
 10030334617

Full Name of
Designated
Agent

CENTRAIA S SHUTT

Mailing Address

180 BOX 53

PICKFORD

CITY

STATE

49770

ZIP CODE

Title or Position

TREASURER

Telephone number

906-687-7274

9. Banks or Other Depositories: List all banks or other depositories in which the conviction deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.

CENTRAL SAVINGS BANK

Mailing Address

1125 W MAIN STREET

BUNYAVE

CITY

STATE

49780

ZIP CODE

Name of Bank, Depository, etc.

Mailing Address

CITY

STATE

ZIP CODE

11044284642
10030334618

11044284643

Exhibit 2

RECEIVED
FEDERAL ELECTION COMMISSION
JANUARY 26 AM 10:57

FEC FORM 2
STATEMENT OF CANDIDACY

1. (a) Name of Candidate (in full) GARY J McDowell		2. Candidate's PFC Identification Number
(b) Address (number and street) 10820 Glen Street		3. In This Statement <input checked="" type="checkbox"/> New <input type="checkbox"/> Amended
(c) City, State, and ZIP Code Rubynar, MI 49780		4. State & District of Candidate Michigan - 1
5. Party Affiliation Democrat		6. Office Sought US House

DESIGNATION OF PRINCIPAL CAMPAIGN COMMITTEE

7. I hereby designate the following named political committee as my Principal Campaign Committee for the 2010 election(s).
(year of election)

NOTE: This designation should be filed with the appropriate office listed in the instructions.

(a) Name of Committee (in full) McDowell For Congress Committee
(b) Address (number and street) 10820 Glen Street
(c) City, State, and ZIP Code Rubynar, MI 49780

DESIGNATION OF OTHER AUTHORIZED COMMITTEES
(including Joint Fundraising Representatives)

8. I hereby authorize the following named committee, which is NOT my principal campaign committee, to receive and expend funds on behalf of my candidate.

NOTE: This designation should be filed with the principal campaign committee.

(a) Name of Committee (in full)
(b) Address (number and street)
(c) City, State, and ZIP Code

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Signature of Candidate Gary McDowell	Date 5/14/2010
------------------------------------------------	--------------------------

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to penalties of 2 U.S.C. §407g.

--	--	--	--	--	--	--	--	--

FEC FORM 2 (FEB. 2009)

11044284644
10030334621

11044284645

Exhibit 3

STATEMENT OF ORGANIZATION
FOR CANDIDATE COMMITTEES

TYPE OR PRINT CLEARLY. AN AMENDMENT TO THIS FORM MUST BE FILED IF INFORMATION ON THE FORM CHANGES.
SEE INSTRUCTIONS ON REVERSE FOR UPDATING PROCEDURES.

225653

03 FEB 28 PM 2:10

1. Committee Identification No. <u>510485-6</u>		DEPARTMENT OF STATE	
2. Type of Filing a. <input type="checkbox"/> Original OR b. <input checked="" type="checkbox"/> Amendment to Sample		c. Date Change(s) Took Place <u>2.17.03</u>	
3. Full Name of Committee (must include candidate's first and last name) <u>Supporters of Gary McDowell</u>			
4. Candidate Last Name <u>McDowell</u>		First Name <u>GARY</u> MI <u>J.</u>	
4a. County of Residence <u>Chippewa</u>		4b. Political Party (if applicable) _____	
4c. Driver License # (Optional) _____			
4d. Office Sought: (Check one)			
<input type="checkbox"/> Governor <input type="checkbox"/> Lt. Governor <input type="checkbox"/> State Senator <input checked="" type="checkbox"/> State Representative <input type="checkbox"/> Secretary of State <input type="checkbox"/> State Board of Education <input type="checkbox"/> Bd of Regents LMI <input type="checkbox"/> Bd of Trustees MSU <input type="checkbox"/> Bd of Gov WCU <input type="checkbox"/> Attorney General <input type="checkbox"/> Court of Appeals <input type="checkbox"/> District Court <input type="checkbox"/> Probate Court <input type="checkbox"/> District Recorder Court <input type="checkbox"/> Supreme Court Justice <input type="checkbox"/> Circuit Court			
4e. District # or Jurisdiction <u>107th</u>		<input type="checkbox"/> Local or Other (Please Specify) _____	
5. Date Committee Was Formed <u>10-01-01</u> (Mo/Da/Yr)		6. Committee Area Code and Phone Number <u>906-478-5831</u>	
7. Committee Mailing Address (May be P. O. Box) include Zip Code <u>10820 Glen St. Rudyard MI 49780</u>		7a. Committee Street Address (May not be P. O. Box) <u>10820 Glen St. Rudyard MI 49780</u>	
8. Treasurer, Name and Mailing Address of Committee Treasurer (Last Name, First Name, Middle Initial. Please include Zip Code.) <u>Johnson Dorothy G. 79 Glen Green Dr. Kinchelbe MI 49785</u>		8a. Designated Record Keeper. Name and address of the person (other than the treasurer) who will be responsible for the committee's records and Campaign Statement filing. If committee treasurer will handle these responsibilities, leave this blank.	
Area Code and Phone _____ Driver License # (Optional) _____		Area Code and Phone _____ Driver License # (Optional) _____	
10. <input type="checkbox"/> REPORTING WAIVER The committee does NOT expect to receive or expend in excess of \$1,000.00 in an election. The Reporting Waiver will be automatically lost if the committee exceeds the \$1,000 threshold. (Check and include contributions, expenditures and outstanding debt owed against the \$1,000.00 Reporting Waiver threshold.) Funds left over from one election count toward the "amount received" for the next election. Please note: If a request for a Reporting Waiver is not received on or before the filing deadline of a required Campaign Statement, that Campaign Statement cannot be waived.			
11. Name and Address of depository or intended depository of committee funds. (Bank, Credit Union or Savings & Loan Association)		12. This item applies only to a Submunicipal Candidate Committee.	
11a. Official Depository: <u>Central Savings Bank</u>		<input type="checkbox"/> Check if this committee intends to seek qualifying contributions for public funding.	
11b. Secondary Depository: <u>511 Bingham St. Sault MI 49783</u>			
13. Verification: I/We certify that all reasonable diligence was used in the preparation of the above statement, and that the contents are true, accurate and complete to the best of my/our knowledge or belief.			
Committee Treasurer <u>Carrie McDowell</u>		Date <u>2.17.03</u>	
Candidate <u>Gary McDowell</u>		Date <u>2.17.03</u>	

11044284646

11044284647

Exhibit 4

SCHEDULE A (FEC Form 3)
ITEMIZED RECEIPTS

 Use separate schedule(s)
 for each category of the
 Detailed Summary Page

FOR LINE NUMBER:		PAGE 27/38	
<input type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input checked="" type="checkbox"/> 11c	<input type="checkbox"/> 11d
<input type="checkbox"/> 12	<input type="checkbox"/> 13a	<input type="checkbox"/> 13b	<input type="checkbox"/> 14
			<input type="checkbox"/> 15

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

 NAME OF COMMITTEE (in Full)
 McDowell for Congress

A.

Full Name (Last, First, Middle Initial)

Supporters of Gary McDowell

Mailing Address 10880 W Glen St

City

Rudyard

State

MI

Zip Code

48780-8287

FEC ID number of contributing
federal political committee.

C

Name of Employer

Occupation

Receipt For:

2010

☒ Primary☐ General

Other (specify) ▼

Election Cycle-to-Date ▼

1000.00

Date of Receipt

MM / DD / YY
06 / 07 / 2010

Transaction ID: C4847021

Amount of Each Receipt this Period

1000.00

Comprised of Permissible
Funds

B.

Full Name (Last, First, Middle Initial)

INTERNATIONAL BROTHERHOOD OF ELECT. WORKERS PAC

Mailing Address 900 Seventh St, NW

City

Washington

State

DC

Zip Code

20001

FEC ID number of contributing
federal political committee.

C

C00027342

Name of Employer

Occupation

Receipt For:

2010

☒ Primary☐ General

Other (specify) ▼

Election Cycle-to-Date ▼

10000.00

Date of Receipt

MM / DD / YY
06 / 28 / 2010

Transaction ID: C4847041

Amount of Each Receipt this Period

5000.00

C.

Full Name (Last, First, Middle Initial)

ANALYST/TRANSIT UNION COPE

Mailing Address 5025 WISCONSIN AVE. N.W.

City

WASHINGTON

State

DC

Zip Code

20018

FEC ID number of contributing
federal political committee.

C

C00032995

Name of Employer

Occupation

Receipt For:

2010

☒ Primary☐ General

Other (specify) ▼

Election Cycle-to-Date ▼

1000.00

Date of Receipt

MM / DD / YY
06 / 30 / 2010

Transaction ID: C4848153

Amount of Each Receipt this Period

1000.00

SUBTOTAL of Receipts This Page (optional)

7000.00

TOTAL This Period (last page this line number only)

11044284648

